
Mergers & Acquisitions

Almanac & Index

1983

Almanac

Last Year's 100 Biggest Deals
Most Active Acquirers
Merger Activity by Industry
Merger Completions: Quarterly and Yearly
Major Divestitures
Largest Foreign Acquisitions
Top Cancellations
The 10-Year Merger Record
Forecast of 1983 Trends
and more

Index

Acquired and Acquiring Companies in
All 1982 Mergers

Phillips Petroleum Company

has acquired

General American Oil Company of Texas

We acted as financial advisor to
Phillips Petroleum Company in this transaction.

Goldman, Sachs & Co.

New York Boston Chicago Dallas Detroit
Houston Los Angeles Memphis Miami
Philadelphia St. Louis San Francisco
London Tokyo Zurich

March 10, 1983



Mergers & Acquisitions

Almanac & Index 1983

ALMANAC

4 Review and Preview

The "merger boom" is still with us, but with fewer bucks for the bang: 1982's 2,321 transactions topped last year's all-time record for number of deals, but showed a drop in dollars. Highlights of the deals/dollars breakdown show some surprising 1982 trends, and acquisition specialists foresee others for 1983.

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tutions may discount above prices by 50 percent.

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Headings introducing subsections should appear approximately every 750 words.

Authors' resumes should accompany manuscripts.

Synopses of the salient themes should accompany all submissions.

Bibliography citations should conform to "Chicago style" (see *A Manual of Style*, University of Chicago Press, current edition). Annotated lists of "Suggestions for Further Reading" are encouraged.

Endnotes, also in Chicago style, should be numbered consecutively and appear at the article's end.

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Equimark Corporation

has completed a \$125,000,000 capital
reinvestment and financing plan with

The Chase Manhattan Corporation

The undersigned, in its capacity as financial adviser to Equimark Corporation and Chase,
has advised the transaction and assisted in its negotiation and consummation.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

June 24, 1982

CBT Corporation

Hartford, Connecticut

has acquired through merger

State National Bancorp, Inc.

Stamford, Connecticut

We acted as financial adviser to CBT Corporation
in this transaction.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

December 31, 1982



Sun Banks of Florida, Inc.

has acquired through merger

Century Banks, Inc.

Fort Lauderdale, Florida

We acted as financial adviser to Sun Banks of Florida, Inc.
and assisted in negotiations leading to the
consummation of this transaction.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

July 1, 1982

First Interstate Bank of Washington, N.A.

has acquired, with the financial assistance
of the Federal Deposit Insurance Corporation,
substantially all of the assets and assumed
substantially all of the liabilities of

Fidelity Mutual Savings Bank

Spokane, Washington

We acted as financial adviser to First Interstate Bank of Washington, N.A.
in structuring the deal presented and in negotiating
with the Federal Deposit Insurance Corporation.

KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

April 2, 1982

PanNational Group Inc.

St. Paul, Texas

has been merged with and into

Mercantile Texas Corporation

We acted as financial adviser to PanNational Group Inc.
and assisted in negotiations leading to the
consummation of this transaction.

KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

April 8, 1982

MERGERS

1982 - A Banner Year



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The Banking Industry Specialists

One Liberty Plaza, New York, N.Y. 10006

(212) 349-4321

Harry V. Keefe, Jr., Chairman

The First National Bank of Malden

Malden, Massachusetts

has been merged with and into

Malden Trust Company

We acted as financial adviser to The First National Bank
of Malden and assisted in negotiations leading to
the consummation of this transaction.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

October 29, 1982

Marine Bank

A wholly owned subsidiary of

Marine Bancorp, Inc.

Erie, Pennsylvania

has acquired by merger

The Warren National Bank

We acted as financial adviser to Marine Bancorp, Inc.
and assisted in negotiations leading to the
consummation of this transaction.

KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

June 30, 1982

American Bank & Trust Co. of Pa.

a wholly owned subsidiary of

American Bancorp, Inc.

Reading, Pennsylvania

has acquired through merger

The Valley Trust Company of Palmyra, Pa.

We acted as financial adviser to American Bancorp, Inc.
and assisted in negotiations leading to the
consummation of this transaction.

KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

November 30, 1982

First Los Angeles Bank

has been merged with an indirect subsidiary of

Istituto Bancario San Paolo di Torino

Torino, Italy

The undersigned, in its capacity as financial adviser to
First Los Angeles Bank, initiated the transaction and
assisted in its negotiation and consummation.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

December 30, 1982

National City Corporation

Cleveland, Ohio

has acquired through merger

Ohio Citizens Bancorp, Inc.

Toledo, Ohio

We acted as financial adviser to National City Corporation
in this transaction.



KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

September 7, 1982

The Citizens and Southern Bank of Houston County

Waycross, Georgia

has been merged with and into

Citizens and Southern Georgia Corporation

We acted as financial adviser to The Citizens and Southern Bank
of Houston County and assisted in negotiations leading
to the consummation of this transaction.

KEEFE, BRUYETTE & WOODS, INC.

The Banking Industry Specialists

NEW YORK HARTFORD SAN FRANCISCO

May 31, 1982

Review/Preview

What new developments will 1983 bring to m&a professionals? And how did the 1982 deals' scoreboard turn out?

It is always more gratifying to predict than to check earlier predictions, but a rereading of 1982 forecasts by M&A's selected soothsayers shows no little prophetic ability: "There is uniform agreement that the record dollar volume of transactions rung up last year will not be tallied again in 1982 . . . however, it will continue to be cheaper to buy than build," ran their consensus prediction. And sure enough, the total of *Merger Completions* revealed a drop in dollar volume (from over \$73 billion to \$66 billion), while the buy-vs-build choice remained tipped to the buy side, with even a slight increase (from 2,314 to 2,321).

Individual predictions a year ago (take a look at the 1982 *Almanac* to see who said what) highlighted two areas of activity that proved to be hot-spots indeed: increased divestitures and financial mergers. As predicted, the total number of divestitures was up — from an already high 1981 level of 507 — to 559. The *Value of Divestitures* remained bottom-heavy, with over a quarter of sell-offs once again valued at between \$1 million and \$5 million. Our prognosticators were right on the money when they predicted that acquisitions of financial services companies would increase this past year. Bank and bank holding company acquisitions, Number 2 in 1981, moved to the Number 1 spot in 1982.

This step-up in ranking was one of several in the *10 Most Active Industries*: other up-and-comers in the financial field included insurance agencies, which moved from ninth to sixth place, and credit agencies and holding companies, which broke into the chart at fourth place.

Some trends were tougher to call,

Merger activity remained high in 1982, with a drop in dollar volume — a trend most observers say will continue. But look for new angles in joint venturing, management buyouts, and strategic sell-offs.

however. No one foresaw the jump in American acquisitions abroad — up from 85 in 1981 to 139 in 1982. M&A forecasters did anticipate one international trend: the balance of merger payments continued to favor the U.S. The number of U.S. companies bought by foreign companies was twice that of foreign companies bought by American firms. In dollar volume the foreign/U.S. investment ratio was five-to-one. However, these figures represent a narrowing in the gap between international investors. In 1981, the foreign-to-U.S. buyer ratio was a larger three-to-one, and the dollar gap was a big twenty-to-one.

Some things stayed the same, however. As was the case last year, the U.K. and Canada were hands down the *Countries Most Active in U.S. Acquisitions*, transacting over half the foreign-U.S. deals. U.S. targets of foreign investment did not shift much. *Top U.S. Industries Attracting Foreign Buyers in 1982* included, as in 1981, energy, chemicals, and electrical machinery.

Names in the news

Individual companies making their mark in 1982 included **U.S. Steel Corp.** and **Marathon Oil Co.**, whose \$6.2 billion merger is the first listed in the *100 Largest Transactions 1982*, followed by the \$4.3 billion **Connecticut**

General/INA (CIGNA) merger and the \$4.2 billion **Occidental Petroleum/Cities Service** deal. Topping the *Top 20 Cancellations* is the also-tendered **Gulf Oil**, who changed its \$5 billion intentions after second thoughts about the financial and regulatory stakes of its Cities Service bid. A decimal place to the right, but no smaller fish in its pond, was the top-ranker in the *30 Largest Divestitures* of the year: **Beatrice Foods Co.**'s purchase of **Coca Cola Bottling Co.** of L.A. for \$580 million. The slimmed-down seller was **Northwest Industries**. Finally, among the *25 Largest Foreign Acquisitions*, **General Oriental Ltd.** paid the highest price for a U.S. firm with its \$400 million purchase of **Diamond International Corp.**

1983

The names of the big bidders in 1983 are of course, unpredictable, but general trends are visible already to m&a professionals. This year we asked acquisition watchers to answer four questions:

1. During 1982, the total number of **transactions** was slightly higher than in 1981, while the dollar volume of deals fell considerably. What do you predict for this year and why?
2. What kind of **industries** will be the most active in buying and selling businesses in 1983?
3. What **deal techniques** will become popular in 1983?
4. Will there be another "**Bendix**" this year?

Here's how they answered.

Entrepreneurship going up

Norman Brown, Senior Vice President, Oppenheimer and Co.

Transactions. The drop we saw last year in acquisition dollar volume will probably continue. There will be few "megadeals" in 1983. We don't expect any of those large natural resources transactions which pushed up the dollar amounts in 1981, because of the reduced level of inflation and lower commodity markets. We are predicting an upturn in the economy which will mean buyers with en-

hanced cash positions and stronger balance sheets. Continued restructuring will generate a lot of divestitures and increased opportunities for leveraged buyouts. Owners will realize that many companies acquired over the past twenty years may perform better under entrepreneurial conditions after all.

Industries. Two industries will be more active than average, as consolidation or "shakedown" in their fields continues: leading financial service companies, and leading tech-oriented companies. The most active sellers will be diversified industrial companies going through restructuring, and,

as usual, private sellers who have reached the moment in their life cycle when they need to be acquired.

Techniques. There will be more mergers of equals. It is interesting to note that between Schering Plough in 1970 and Dart-Kraft in 1980, there were virtually no major mergers between equals. The recent merger of Signal and Wheelabrator-Frye indicates a return to this kind of transaction — large industrial companies merging to broaden their base.

Another Bendix? The Pac Man strategy will probably not be revisited on us the way we saw it in "Bendix" — acquirers will be more cautious.

Worldwide Market Shifts

U.S. Mergers Abroad

I believe that although there are a number of fine European companies for sale, there will be much less activity in Europe than in recent years. Even though the strengthened dollar would seemingly provide financially attractive opportunities for American buyers, the economic outlook for Europe is quite clouded, and most multinational companies do not see Europe as providing many growth opportunities.

Conversely, most European companies are suffering from local economic conditions and their depressed currencies and therefore have neither the cash nor the borrowing capacity to make significant acquisitions.

Most corporate planners agree that the major international growth opportunities now lie in the Asia-Pacific area, and I would expect to see an increased level of activity there, specifically through joint ventures and minority participation.

Tony Hass, Vice President — External Development, General Foods Corp.

Foreign Investment

Investment in U.S. companies by foreign firms will show a continued decline following its 1982 drop. Housing and real estate will be particularly hard hit because of a new 1982 law sponsored by Senator Malcolm Wallop (R,WY) and Senator Charles Grassley (R,IA) requiring foreign investors to either disclose beneficial ownership of an investment or to post a bond as surety for capital gains tax payment. Areas which will continue to show heavy foreign investment include electronics and communications, as well as banking.

We also expect to see an increasing number of joint ventures between American and foreign partners, particularly Japanese. I would warn American companies to be on the alert to ensure that both partners benefit from the arrangement. The Japanese are looking for market access without giving away any long-term technical developments.

Cedric L. Suzman, The Southern Center for International Studies, Atlanta, GA

The Information Age

We believe that the business world is moving out of the industrial age and into the information age — and we're putting our money behind our belief. In particular, we anticipate much m&a activity in the telecommunications and electronics fields on a global scale. Indications abound: consider how G. E. is positioning itself now. Looking to the future, Bell Operating Companies, moving towards independence from AT&T, are undoubtedly planning to acquire and divest to achieve a balanced technological portfolio. We will also see more joint ventures as companies in high-tech information fields transfer a new kind of know-how which is difficult if not impossible to acquire fast enough through the traditional "learning curve." Overall, I predict that over the next several years, over 50 percent of all m&a transactions, not to mention j.v.'s, will be in information-age businesses — and I invite you to call me on that in 1990!

Edouard le Marié, Senior Vice President, E.F. Hutton



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contact to the final handshake.

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Morgan offers another key advantage—our Financial Analysis Department. Staffed with more than 100 professional analysts in 15 countries, it's one of the largest, most experienced research teams in the world.

These professionals under-

stand financial planning and strategies. They specialize in key industries. They are completely at home in the countries they operate in, and know politics and economics there.

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\$20 million to \$2.5 billion
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acquire a company? who you should talk to



These Morgan officers play key roles in the bank's acquisition and divestiture advisory work around the world. Shown in New York are David Cromwell, left, head of Mergers and Acquisitions, and Horace Andrews, head of Financial Analysis.

ture work has been a Morgan specialty since 1968. We have special expertise in corporate divestitures, the purchase or sale of banks, and international deals. Our M&A business, on transactions from \$20 million to

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Write or call David M. Cromwell, Senior Vice President, Mergers and Acquisitions, Morgan Guaranty Trust Company, 23 Wall Street, New York, NY 10015; (212) 483-1256.

The Morgan Bank

Smokestack sellers

Thomas J. McCann, Jr., Vice President - Acquisitions, Alco Standard Corp.

Transactions. The number of transactions will probably continue to increase slightly in 1983, as a result of high price/earnings ratios and lower interest rates. Current economic forecasts would appear to indicate a very bullish picture for merger and acquisition activity as a result of:

- a) a difficult first half which may induce more companies to be acquired,
- (b) a strong stock market for acquirers; and
- (c) currently low interest rates.

The only negative might be that strong companies in temporarily depressed markets will resist being acquired at the bottom of the trough. On the other hand, I would still expect dollar volume to be considerably below 1981 because many of the larger acquirers are still attempting to absorb recent large acquisitions, particularly in the area of big oil.

In our case, for example, in recent months, while we have completed a number of small acquisitions, we have also completed a number of yet smaller divestitures to privately-held companies.

Industries. Because of continuing deregulation and current popularity, we will see active buyers and sellers in the broad area defined as financial services. I also feel that distribution companies will be aggressive buyers, as evidenced by the recent announcement by Foremost-McKesson. It is likely that on the selling side will also be segments of "smokestack" America, energy-related industries and a mix of some of the leveraged buyouts that may have problems servicing debts.

Techniques. "Pac-Man," "Golden Parachutes" and "Scorched Earth" should lose popularity by reason of the strongly adverse reaction of the financial community.

Another Bendix? Adverse publicity will do much to discourage another

"Bendix" since there are few chief executive officers who would want to be viewed in this light.

Bust-ups ahead

Stuart Meyers, Vice Chairman, Alexander von Thyssen and Associates Inc.

Transactions. Because of the run-up in the equity market, versus the down-trend in interest rates, my prediction is that the number of transactions and dollar value will be about flat with 1982, one factor offsetting the other.

Industries. In selling, diversified industries will probably be doing a great deal of divesting to prune their investment portfolios. In buying, high-tech proprietary industries, along with a great deal of buyouts by private groups.

Techniques. Techniques like Pac-Man and the two-tier bid are here to stay and will fall in amongst the arsenal of acceptable structures for considering deals. In addition, I believe that the "bust-up" deal for high undervalued situations (based on liquidation value) is the wave of the immediate future.

Another Bendix? Who knows?

A lawyer's viewpoint

Doug Rosenthal, Asbill, Brennan and Sutherland

Transactions. If the economy recovers significantly with lowering interest rates, this should stimulate mergers, since the merger market has been missing buyers, not sellers. In addition, a strong dollar tied to interest rate recovery will make the acquisition of U.S. companies more attractive to foreign firms. If protectionism here increases — for example, through "domestic contents legislation" in the automobile industry — foreign companies will compensate by establishing plants here.

Industries. We're impressed by the potential for mergers in the financial services area, where we are doing an increasing amount of business. There

are two reasons for this: one is some significant, though by no means comprehensive, deregulation at both state and federal levels. The other factor is innovation. This seems to be a period of tremendous innovation in the generation and marketing of financial products and services. We will also see more mergers in the high-tech telecommunications sector, which is undergoing a period of selective deregulation.

Techniques. After being involved in hostile offers in the beer industry — notably five permutations of the "Pabst" deal — I would say that there is no end to the ingenuity of man. Whether confronted with new opportunities or new restrictions, m&a professionals, like tax lawyers, always create a new "loop." From a lawyer's vantage point, it looks as though we will see more joint ventures in mature, concentrated industries where m&a is prohibited, especially if the FTC approves the GM-Toyota joint venture. We will also see more joint ventures in fields where there are great risks and the need to share them. We may even see j.v.'s among competitors.

Another Bendix? Yes, there will probably be another Bendix or two. It did leave a bad taste in people's mouths, and companies are taking increasing measures to give themselves more protection. On the other hand, the psychological dynamics of these situations give them a life of their own.

Irrational tenders will continue

Dr. Douglas Austin, Chairman, Dept. of Finance, Toledo University

Transactions. In 1983 we should see an improvement in the economy after we come out of the recession, and so we may have slightly less merger and acquisition activity. Already tender offer activity in 1983, based upon the first two months of activity, seems to be less than in 1982. Some targets will be less willing to be purchased because they believe that they have weathered the storm and can continue to operate on their own.

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Operations that would have been sold out in normal mergers and acquisitions may not be as willing to do so or may hold out for prices so high as to void corporate takeover. In the tender offer arena, going premiums may get high enough to dissuade potential bidders from attempting to take firms with improving profits.

Industries. We shall see a continued interest in merger and acquisition activity in the financial institution and financial corporate services industries as these industries continue to amalgamate in response to deregulation and increased competition. In addition, strong merger and acquisition activity will continue in the petroleum, chemical and high technology fields as merger and acquisition activities supplant internal expansion opportunities. I forecast a great deal of merger and acquisition activity, without conflict, as a means of improving raw market penetration nationwide in lieu of attempting to expand through internal marketing efforts.

As has been seen specifically in the tender offer field in recent years, cash-oriented mergers and acquisitions have become predominant due to their high success rate and the ability of the firms doing the acquiring to successfully accomplish such mergers and acquisitions through the utilization of cash directly.

Techniques. Two-tier tender offers and other hostile strategies of 1982 will continue in 1983, but with less success since their novelty has worn off and defenses will be more successful. Furthermore, the SEC is working on ways by which to restrict two-tier bids, or at least make them less palatable to the bidder (the results of the task force should be available about July 1, 1983). Tender offers of equal corporations will continue. A new technique we will see in 1983 will be profitable companies with strong cash liquidity positions successfully tendering for companies larger than they are. This will be an expedient and quick way to expand nationwide.

Another Bendix? There is no reason why there will not be another Bendix this year, although we can't

forecast which companies will be involved. In 1981, there were DuPont, Mobil, Seagrams, and Conoco, as well as Mobil, U.S. Steel and Marathon. In 1982, there were Bendix, Martin Marietta, U.T.C., and Allied Corporation. As long as there are major tender offers for corporate giants, there always will be shotgun marriages, agreements from waiting parties, and retaliatory attempts by third corporations to take over such large corporations. I forecast that a Bendix-type tender offer is going to be commonplace in each of the next forthcoming years. As long as corporate executives have their egos and corporate powers involved in such tender offers, tender offers may be more irrational from a financial standpoint than they have been in past years.

Energy acquisitions down

Albert Olenzak, Director - Strategic Planning, Sun Company Inc.

Transactions. In general, a high stock market tends to create lower transaction volume, and low interest rates tend to increase it. I predict both the number of transactions and their dollar volume will decline. In the energy field, stock prices will be lower, as will the outlook for crude oil prices. My general view is that the recent "biggies" were disasters for Dupont, U.S. Steel, and other major energy acquirers, so energy acquisitions will be down as well. I also foresee an increase in foreign companies acquiring U.S. companies, and large oil companies buying assets in the ground.

Industries. Big buyers will be industries consolidating from fragmented bases, as well as high-tech, trucking, communications, financial services, and retailing companies. The most active sellers will be those companies having indigestion from bad m&a transactions in the past, such as oil companies and conglomerates.

Techniques. The favored techniques of 1982 (two-tier bids, the Pac-Man strategy) increased the risk of acquisition to uncomfortable levels: I

see fewer unfriendly deals in 1983. The public and the government will see the "tricky" deals in a negative light.

Another Bendix? Yes, there probably will be another Bendix. No one plans it or wants it, but all the forces and techniques are still there.

Few Agees

Joseph Perella, Managing Director, The First Boston Corporation

Transactions. There will be a slip in both the dollar volume and number of deals. Foreign purchases of U.S. firms will be down because of a strong dollar; stock prices will be high, so there will be no big premiums. In general, would-be acquirers will be more preoccupied with business-at-hand during a stable economic upturn. There will however, continue to be many divestitures and small, private transactions.

Industries. The most active buyers will be large banks and other financial service companies; the most active sellers will be small oil and gas companies, oil service firms, and regional banks.

Techniques. Two-tier bids will continue in spite of the new extended proration period, as the recent bid of National Distillers for Suburban Propane shows. Mergers of equals will not be too common. Many firms would like to do them, but "people problems" get in the way.

Another Bendix? There probably won't be another Bendix: an aberration does not occur when you expect it. Also, in general, it is "personalities" that create media events. There are few Agees, and they all saw what happened to him.

First-half lag

Herald Ritch, Managing Director, Dean Witter Reynolds

Transactions. I think there will be a lag in m&a activity during the first part of the year in both dollar volume and deal activity as the world adjusts to higher stock market prices and low-

er interest rates. But once they do, I think a lot of would-be buyers and sellers will attempt transactions later in the year. Nonetheless, overall dollar volume will be down.

Industries. I think there is going to be a lot of activity in industries undergoing fundamental change, such as financial institutions, and high technology companies. I also foresee many, many forced sales and liquidations in the oil industry.

Techniques. The Pac-Man strategy and lateral and two-tier bids are not over yet, but we will see additional innovations during the year — technical solutions to structural problems. We may see, for example, attempts to wed a tender offer to a leveraged buyout, with financing done after the fact.

Another Bendix? There will never be another Bendix, but 1983 will certainly have a zany deal or two. There have been numerous unusual transactions, and I would expect 1983 to have at least one.

Inflationary psychology over

Jay Higgins, Managing Director,
Salomon Brothers

Transactions. There will probably be fewer huge, petroleum-related deals, so dollar volume will be down. Full-scale mergers will be down in general, because corporate management no longer has an inflationary psychology. To justify an offering price to a seller, it must be "top price," and buyers no longer want to pay high premiums. They can't rationalize overpaying today on the basis that a business's assets will be worth more tomorrow. Even though stock prices will be up, and thus acquisition costs down, many businesses will still be "minding the store."

Industries. The most active buyers will be financial services, reflecting consolidation in that industry. On the sell side, we will see both financial services and high-tech companies.

Techniques. Two-tier bids will continue, but with less impact, because of the new rules extending the proration period. Pac-Man will continue to be an effective weapon in the target arsenal, although it's not for everybody — very few companies could buy up a controlling share overnight in Mobil Oil. Mergers of equals will not increase for two reasons: (a) pro forma cost savings are more difficult to determine in such deals, and (b) management integration is a problem — you don't need two CEOs. If there are a lot of shark-repellant amendments at this spring's round of annual meetings, you will see few hostile takeover attempts.

Another Bendix? I hope not.

New strategies developed

Brian Saffer, First Vice President,
Prudential-Bache Securities Inc.

Transactions. The level of m&a activity will be up in terms of numbers of

Mergers/Acquisitions

Divestitures/Corporate Evaluations

Fairness Opinions

Sidney M. Spielvogel, Sr. Vice President
(212) 791-3767

Brian H. Saffer, First Vice President
(212) 791-4617

Henry S. Scott, Vice President
(212) 791-3892

Stephen D. Sholes, Vice President
(212) 791-3825

For additional information or a copy of our booklet on Mergers and Acquisitions, please write to us on your letterhead or contact our Corporate Finance Department, 100 Gold Street, New York, NY 10292

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transactions, due to increased economic activity in general, high p/e ratios on the buy side, and a need for consolidation in a number of industries on the sell-side. In terms of dollars, we will probably not reach levels attained in the last few years. We will see fewer of the multi-billion dollar deals which have inflated dollar levels in the past, because there will be repercussions from the Martin-Marietta/Bendix transaction, and a fear of tightened regulation of hostile transactions in general.

Industries. Most active on the sell-side will be financial services, health care, high tech, and business electronics. On the buy-side, basic industries seeking diversification and financial institutions will be most active.

Techniques. Increased regulation will limit the use of several of the strategies which have become popular in hostile transactions. In all likelihood, new strategies will be developed to fill the void, but it is impossible to pre-

dict the techniques until the form of regulation becomes clearer. There seems to be an increasing momentum for adoption of a British-style takeover law which would require a major purchaser to offer to buy the rest of the company at the same price per share.

Another Bendix? No. The adverse publicity will make executives and their bankers think twice before engaging in any type of transaction that might hold the business community up to ridicule. Target companies will probably not consider their white knight arrangements to be secret emergency plans but when attacked will enact them immediately.

Geographic association

Stephen Helpern, Manager, Mergers & Acquisitions, Arthur Anderson and Co.

Transactions. I foresee an increasing number of transactions in 1983 for

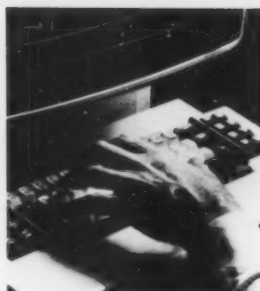
three reasons: (a) an improved stock market; (b) lower interest rates; and (c) increased confidence in the overall economy.

Industries. Distribution companies and financial services firms will be the most active on both the buy and sell fronts. The currently fragmented nature of the distribution industry will yield to consolidation, because private, independent distribution companies will see the benefits of geographic association on a national scale. Financial service companies will continue to combine because of the overall trend toward diversity of products under the financial services umbrella.

Techniques. Impossible to predict.

Another Bendix? There will be another major transaction that will receive the notoriety and public scrutiny Bendix received, but it won't have the same characteristics. Every year brings something unique. □

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









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Mergers. Acquisitions.
Divestitures.
And who really leads.

Mergers and Acquisitions

Number of Transactions	1982	1981	1980
Lehman Brothers Kuhn Loeb	60	47	37
Goldman Sachs	54	40	26
First Boston	38	30	12

Number of Transactions Over \$100 Million

Lehman Brothers Kuhn Loeb	24	26	9
Goldman Sachs	31	24	10
First Boston	19	22	5

Number of Divestitures

Lehman Brothers Kuhn Loeb	24	15	8
Goldman Sachs	15	5	3
First Boston	9	3	2

As advertised in The Wall Street Journal

Financial risk has taken on entirely new dimensions. The U.S. financial risk has been compressed to 12-to-18 months. Exchange rate risk has been compressed to 12-to-18 months. The unpredictability of inflation has been compressed to 12-to-18 months.

Leadership cannot be reduced to numbers alone. But statistics do make an important statement about a firm's performance and capabilities.

As the evidence here shows, Lehman Brothers Kuhn Loeb is a leader in Mergers and Acquisitions. A consistent leader. Not just for this year or last—but for three consecutive years.

These numbers are conservative. The figures of the authoritative publication, *Institutional Investor*, show Lehman Brothers' 1982 performance to be even stronger. And *Corporate Financing Week* (1/31/83) said "For the third year in a row, Lehman Brothers is first in our count of Merger and Acquisition tombstones placed in *The Wall Street Journal*..." In the past three years, Lehman Brothers completed 144 of these transactions—more than any other firm—for an average of nearly one a week, ranging from less than \$10 million to over \$4 billion.

By almost any set of numbers, the three firms represented here are the clear leaders. But leadership must be measured in more than just numbers. It must be measured in how an investment bank helps its clients achieve their objectives. In no area is this more true than corporate Divestitures.

Divestitures – Unquestioned Leadership

Lehman Brothers' leadership in Divestitures, by any measure, is unequalled. While we are proud of all our Divestiture transactions, and would be pleased to discuss any of those where we are authorized to do so, the following four of our more visible case studies underscore this leadership in no uncertain terms.

Burlington Northern

Burlington Northern decided to sell its highly successful air freight forwarding subsidiary because it did not fit BN's long term strategy. Confidentiality was critical, so Lehman Brothers identified and contacted a limited number of likely buyers. Despite this confidential process, we were able to create a competitive environment which resulted in a cash price of \$177 million. This was almost six times its book value and exceeded the expectations of most industry observers.

Chrysler Corporation

Chrysler decided to divest its Chrysler Defense Division—which is the only manufacturer of tanks for the U.S. Army—in order to raise cash and to indicate to the financial and business communities that it was concentrating its resources in its automobile business. Lehman Brothers iden-

tified 25 qualified prospects and managed the sales process so that potential buyers were competing with each other for Chrysler Defense. This turned Chrysler into a "strong" seller, even given its weakened financial position at that time. Chrysler Defense was sold for \$336 million. That figure was substantially above its book value. Chrysler now has a cash position of \$1 billion.

CSX Corporation

CSX decided to sell its Florida Publishing subsidiary. Lehman Brothers used a divestiture tactic—a two-step, sealed-bid auction—never before used to sell a newspaper. Each major newspaper organization, in the U.S. and abroad, was contacted to participate. This procedure netted CSX one of the highest prices ever bid for a single newspaper.

International Harvester

International Harvester critically needed working capital. The Company retained Lehman Brothers to help it sell four separate businesses—The Solar Turbines International Division, IH's construction equipment business, The Association Life Insurance Company, Inc. and IH's 29% interest in Steiger Tractor, Inc. Employing a variety of divestiture techniques, we contacted a world-wide spectrum of potential buyers and ultimately sold these businesses to four different buyers. As a result, International Harvester raised over \$600 million in cash—far more than IH management had expected.

The message is clear. In Divestitures—in all Merger and Acquisition areas—Lehman Brothers gets the tough ones done. A team of seven Managing Directors works exclusively in Mergers and Acquisitions. This group, in tandem with the firm's industry and international specialists, can show you what lies behind the numbers. Who really leads in Mergers, Acquisitions and Divestitures? Lehman Brothers.

**Who gets the tough ones done?
More than likely it's
Lehman Brothers**

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1982 Profile

The following charts and tables summarize 1982's m&a activity as reported in this publication's quarterly Rosters (U.S. Mergers and Acquisitions, Foreign Investment in the U.S., and U.S. Investment Abroad). To be included in the Rosters, a transaction must be valued at \$1 million or more in cash,

market value of capital stock exchanged, or debt securities. Partial acquisitions of 5 percent or more of a company's capital stock are included if the size requirement is met; divestitures of subsidiary units or divisions are also included on this basis. Real property m&a activity is not reported.

Merger Completions 1982 vs. 1981

	1982				1981*			
	No. of Transactions	% of Total	Value \$ mil	% of Total	No. of Transactions	% of Total	Value \$ mil	% of Total
US acquiring US	1,960	84.4	\$59,579.2	90.1	1,964	84.9	\$56,083.3	76.6
NonUS acquiring US	222	9.6	5,498.4	8.3	267	11.5	16,272.7	22.2
US acquiring NonUS	139	6.0	1,022.0	1.6	83	3.6	870.3	1.2
Total	2,321	100.0	\$66,099.6	100.0	2,314	100.0	\$73,226.3	100.0

Merger Completions by Quarter 1982 vs. 1981

	1982				1981			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
US acquiring US	526	493	439	502	444	472	506	541
NonUS acquiring US	65	51	67	40	57	74	65	71
US acquiring NonUS	43	35	33	27	20	17	21	26
Total	634	579	539	569	521	563	592	638

Dollar Value of Merger Completions by Quarter 1982 vs. 1981 (\$ mil)

	1982				1981			
	1st	2nd	3rd	4th	1st	2nd	3rd	4th
US acquiring US	\$21,683.0	\$12,070.9	\$11,115.7	\$14,709.6	\$ 8,296.6	\$17,787.8	\$19,880.4	\$10,118.5
NonUS acquiring US	1,317.4	875.2	1,695.8	1,610.0	1,846.7	1,597.3	7,462.0	5,366.8
US acquiring NonUS	409.1	177.0	206.3	229.6	238.5	197.8	254.8	179.2
Total	\$23,409.5	\$13,123.1	\$13,017.8	\$16,549.2	\$10,381.8	\$19,582.9	\$27,597.2	\$15,664.5

*1981 figures reflect additional information obtained in 1982.

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Quality in Corporate Development.

We assisted in the following transactions over the last 12 months.

Blyth Eastman Paine Webber Client	Other Party To The Transaction	Blyth Eastman Paine Webber's Role	Approximate Transaction Value
General American Oil Co. of Texas	Mesa Petroleum Co./ Phillips Petroleum Company	Financial Advisor, Opinion	\$1,143,000,000
Beckman Instruments, Inc.	SmithKline Corporation	Financial Advisor	1,052,000,000
Avon Products, Inc.	Mallinckrodt, Inc.	Initiator, Financial Advisor, Dealer Manager, Opinion	753,000,000
The Kroger Co.	Dillon Companies, Inc.	Initiator	650,000,000
Ethyl Corporation	First Colony Life Insurance Company	Financial Advisor	270,000,000
Andover Oil Company	Santa Fe Minerals, Inc.	Initiator, Financial Advisor, Opinion	150,000,000
Century Banks, Inc.	Sun Banks of Florida, Inc.	Initiator, Financial Advisor, Opinion	111,000,000
Modern Merchandising, Inc.	Best Products Co., Inc.	Opinion	109,000,000
Lukens Steel Company	General Steel Industries, Inc.	Financial Advisor	68,000,000
Square D Company	Topaz, Inc.	Financial Advisor	55,000,000
*Data Terminal Systems, Inc.	National Semiconductor Corporation	Financial Advisor	50,000,000
Juniper Petroleum Corporation	Damson Oil Corporation	Opinion	46,000,000
*Acme-Cleveland Corporation	The Lionel Corporation, Dale Electronics, Inc. Subsidiary	Initiator, Financial Advisor	43,000,000
Provident Life Insurance Company (sub. of Equitable of Iowa Cos.)	United Services Life Insurance Company	Initiator, Financial Advisor	42,000,000
*Time, Inc., WOTV Station	LIN Broadcasting Corporation	Initiator, Financial Advisor	32,000,000
Hart Schaffner & Marx	Investor Group	Financial Advisor, Opinion	21,000,000
Valle's Steak House	Management Buyout Group	Financial Advisor	18,000,000
Standard Oil of California, Polyloom Business Unit	Private Investors	Financial Advisor	16,000,000
Oil and Gas Properties of Pengo Industries, Inc.	Toyo Energy Development Corporation	Financial Advisor	15,000,000
Square D Company	Ircon, Inc.	Financial Advisor	15,000,000
AGO Holding, N.V.	Life Investors Inc.	Dealer Manager	14,000,000
Transamerica Realty Investors	Investor Group	Financial Advisor, Opinion	14,000,000
Direct Sales Tire Company	Private Investor	Initiator	13,000,000
Pneumo Corporation	Investor Group	Financial Advisor, Opinion	12,000,000
Perini Corporation	Investor Group	Financial Advisor, Opinion	11,000,000
Square D Company	Engineered Systems, Inc.	Financial Advisor	10,000,000
Pacific-Southern Mortgage Trust	Old Stone Corporation	Opinion	8,000,000
Square D Company	U.S. Robots, Inc.	Financial Advisor	5,000,000
United Cities Gas Company	Gas Light Co. of Columbia	Financial Advisor	5,000,000
W.R. Grace & Co.	Chemed Corporation	Opinion	**
VNU Amvest, Inc.	Disclosure, Inc.	Financial Advisor	**
Windsor Plastics, Inc.	American Motors Corporation, Windsor Plastics, Inc. Subsidiary	Initiator, Financial Advisor	**

*In process

**Not publicly disclosed

Intelligence. Discretion. Imagination. Aggressiveness. All are qualities that go into the making of a successful merger or acquisition—or, indeed defense. And it goes without saying that they have contributed considerably to Blyth Eastman Paine Webber's top M & A ranking over the past 12 months.

But there's a quality at Blyth Eastman Paine Webber that enhances all of these—experience. It's this quality that

enables our seasoned merger and acquisition specialists to deal coolly and calmly with the complexities of these transactions, and to bring them to a successful and friendly conclusion.

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The Top 100

100 Largest Transactions 1982

	Acquiring Company Investment Advisor	Acquired/Merged Company Investment Advisor	Value \$ mil
1	U.S. Steel Corp. Goldman, Sachs	Marathon Oil Co. First Boston	\$6,150.0
2	Connecticut General Corp. Goldman, Sachs; Lazard Frères	INA Corp. Goldman, Sachs; Lehman Brothers Kuhn Loeb	4,300.0
3	Occidental Petroleum Corp. Donaldson, Lufkin & Jenrette; Goldman, Sachs	Cities Service Co. First Boston; Lehman Brothers Kuhn Loeb	4,202.0
4	Norfolk & Western Railway Co. Dillon, Read	Southern Railway Co. Morgan Stanley	2,900.0
5	R. J. Reynolds Industries Inc. Dillon, Read	Heublein Inc. Goldman, Sachs	1,620.6
6	American General Corp. First Boston	NLT Corp. Morgan Stanley	1,500.0
7	Baldwin-United Corp. Merrill Lynch; McDonald & Co.	MGIC Investment Corp. Goldman, Sachs	1,200.0
8	Allied Corp. Lehman Brothers Kuhn Loeb	Martin Marietta Corp. (70% from Bendix) Kidder, Peabody	1,193.7
9	Bendix Corp. First Boston; Salomon Brothers	Martin Marietta Corp. (70%) Kidder, Peabody	1,193.7
10	Union Pacific Corp. First Boston	Missouri Pacific Corp.; Western Pacific Railroad Co. Printon-Kane; Salomon Brothers	1,028.0
11	SmithKline Corp. Merrill Lynch	Beckman Instruments Inc. Blyth Eastman Paine Webber	1,020.0
12	Martin Marietta Corp. Kidder, Peabody	Bendix Corp. (51%) First Boston; Salomon Brothers	892.5
13	Allied Corp. Lehman Brothers Kuhn Loeb	Bendix Corp. (51% from Martin Marietta) First Boston; Salomon Brothers	892.5
14	Allied Corp.; Continental Group Inc. First Boston; Lazard Frères; Donaldson, Lufkin & Jenrette	Supron Energy Corp. Kidder, Peabody	835.0
15	Coca-Cola Co. Morgan Stanley	Columbia Pictures Industries Inc. Allen & Co.	751.6
16	Avon Products Inc. Blyth Eastman Paine Webber	Mallinckrodt Inc. Morgan Stanley	720.0
17	Beatrice Foods Co. Lazard Frères	Coca-Cola Bottling Co. of L.A.; Buckingham Corp. Salomon Brothers; Goldman, Sachs	580.0
18	Anheuser-Busch Cos. Inc. Dillon, Read	Campbell Taggart Inc. Bear, Stearns	570.0
19	Morton-Norwich Products Inc. Salomon Brothers; Goldman, Sachs	Thiokol Corp. Lazard Frères; Goldman, Sachs	562.0
20	Reliance Group Holdings Inc. In-house	Reliance Group Inc.; Leasco Corp. Bear, Stearns	550.0
21	Northwest Energy Co. Lehman Brothers Kuhn Loeb	Cities Service Gas Co. First Boston; Goldman, Sachs	530.0

■ = Acquisition of partial interest.

100 Largest Transactions (cont.)

	Acquiring Company Investment Advisor	Acquired/Merged Company Investment Advisor	Value \$ mil
22	Stroh Brewery Co. Salomon Brothers	Jos. Schlitz Brewing Co. Goldman, Sachs	494.7
23	Warner-Lambert Co. First Boston	Imed Corp. Lehman Brothers Kuhn Loeb	465.0
24	American Telephone & Telegraph Co. Morgan Stanley	Pacific Telephone & Telegraph Co. (rem. int.) Dillon, Read	453.3
25	Aetna Life & Casualty Co. Morgan Stanley	Geosource Inc. (rem. int.) Merrill Lynch	446.3
26	James River Corp. of Virginia Kidder, Peabody	American Can Co. (units) Morgan Stanley	446.0
27	Private Investors Merrill Lynch	Signode Inc. Goldman, Sachs	430.0
28	American Home Products Corp. Goldman, Sachs	Sherwood Medical Industries Inc. Lehman Brothers Kuhn Loeb; Salomon Brothers; Merrill Lynch	425.0
29	Coca-Cola Co. Morgan Stanley	Associated Coca-Cola Bottling Co. In-house	417.5
30	Pacific Holding Corp. Continental Illinois National Bank of Chicago	Cannon Mills Co. Goldman, Sachs	415.0
31	General Oriental Ltd. Drexel Burnham Lambert; Salomon Brothers	Diamond International Corp. Bear, Stearns	400.0
32	Proctor & Gamble Co. Salomon Brothers	Morton-Norwich Products Inc. (unit) Goldman, Sachs	371.0
33	B.A.T. Industries PLC First Boston	Marshall Field & Co. Goldman, Sachs; William Blair & Co.	365.0
34	Pil Holdings Inc. Gibbons, Green, van Amerongen	Purex Industries Inc. Dillon, Read; Goldman, Sachs	358.0
35	Winterthur Swiss Insurance Co. First Boston	Republic Financial Services Inc. Goldman, Sachs	349.0
36	General Dynamics Corp. In-house	Chrysler Defense Inc. Lehman Brothers Kuhn Loeb	336.1
37	ALB Ventures Inc. Undisclosed	Arcata Corp. Goldman, Sachs; Dillon, Read	335.0
38	General Foods Corp. Lehman Brothers Kuhn Loeb	Entenmann's Inc. First Boston	315.0
39	AMCA International Ltd. Lazard Frères	Giddings & Lewis Inc. Goldman, Sachs	310.0
40	Transamerica Corp. Goldman, Sachs	Fred. S. James & Co. Inc. First Boston	300.0
41	Genuine Parts Co. In-house	Genuine Automotive Parts Corp. In-house	274.0
42	Ethyl Corp. Blyth Eastman Paine Webber	First Colony Life Insurance Co. Morgan Stanley	270.0
43	Lone Star Industries Inc. In-house	Marquette Co. In-house	267.0
44	Alexander & Alexander Services Inc. Morgan Grenfell; Smith Barney, Harris Upham	Alexander Howden Group Ltd. Undisclosed	265.0
45	Motorola Inc. Goldman, Sachs	Four-Phase Systems Inc. Lehman Brothers Kuhn Loeb	253.0
46	Northwest Bancorporation Salomon Brothers	Dial Corp. In-house	252.0
47	Schlumberger NV Undisclosed	Applicon Inc. In-house	240.0

A private investor group consisting of management of Consolidated Cigar Company and
Dean Witter Reynolds Inc. has purchased substantially
all the assets and business of

Consolidated Cigar Company

from

Gulf+Western Industries, Inc.

The undersigned assisted in the negotiation of the purchase
and arranged the financing of this
leveraged buyout transaction.

DEAN WITTER REYNOLDS INC.

March 1983

100 Largest Transactions (cont.)

	Acquiring Company Investment Advisor	Acquired/Merged Company Investment Advisor	Value \$ mil
48	Metromedia Inc. <i>Undisclosed</i>	Boston Broadcasters Inc. (unit) <i>Undisclosed</i>	220.0
49	Aetna Life & Casualty Co. <i>In-house</i>	Federated Investors Inc. <i>E. F. Hutton</i>	215.0
50	Air Products & Chemicals Inc. <i>Lehman Brothers Kuhn Loeb</i>	Stearns-Roger Corp. <i>Smith Barney, Harris Upham</i>	210.0
51	Credit & Commerce American Holdings NV <i>Kidder, Peabody</i>	Financial General Bankshares Inc. <i>First Boston</i>	201.6
52	MCI Communications Corp. <i>In-house</i>	WUI Inc. <i>Salomon Brothers; Goldman, Sachs</i>	195.0
53	ConAgra Inc. <i>Lehman Brothers Kuhn Loeb</i>	Peavey Co. <i>Dillon, Read</i>	180.0
54	G. Heileman Brewing Co. Inc. <i>In-house</i>	Pabst Brewing Co. <i>Lehman Brothers Kuhn Loeb</i>	179.2
55	Pittston Co. <i>Morgan Stanley</i>	Burlington Northern Air Freight Inc. <i>Lehman Brothers Kuhn Loeb</i>	177.0
56	Gould Inc. <i>In-house</i>	American Microsystems Inc. <i>Kidder, Peabody</i>	165.9
57	F. Hoffman-La Roche & Co. AG <i>First Boston</i>	Biomedical Reference Laboratories Inc. <i>In-house; E. F. Hutton</i>	163.5
58	Newreeveco <i>Bankers Trust Co.</i>	Reeves Brothers Inc. <i>Lehman Brothers Kuhn Loeb</i>	163.5
59	Mercantile House Holdings PLC <i>S. G. Warburg & Co.; Electra House Group</i>	Oppenheimer Holding Corp. <i>Lazard Frères; Lazard Brothers & Co. Ltd.</i>	162.5
60	American Can Co. <i>Salomon Brothers</i>	Transport Life Insurance Co. <i>Lazard Frères</i>	152.0
61	American General Corp. <i>Lehman Brothers Kuhn Loeb</i>	Credithrift Financial Inc. <i>Merrill Lynch</i>	150.0
62	Coming Glass Works <i>Lazard Frères</i>	Metpath Inc. (rem. 91%) <i>Undisclosed</i>	150.0
63	IC Industries Inc. <i>In-house</i>	William Underwood Co. <i>Goldman, Sachs</i>	150.0
64	Kuwait Petroleum Corp. <i>In-house</i>	Andover Oil Co. <i>Blyth Eastman Paine Webber</i>	150.0
65	Marriott Corp. <i>In-house</i>	Host International Inc. <i>Goldman, Sachs; in-house</i>	148.8
66	Western Union Corp. <i>Salomon Brothers</i>	E. F. Johnson Co. <i>Robert E. La Blanc Associates</i>	147.4
67	Dr Pepper Co. <i>E. F. Hutton</i>	Canada Dry Corp. <i>Undisclosed</i>	143.0
68	Bally Manufacturing Corp. <i>Salomon Brothers</i>	Six Flags Corp. <i>Lazard Frères; Lehman Brothers Kuhn Loeb</i>	142.0
69	National Medical Enterprises Inc. <i>Undisclosed</i>	National Health Enterprises <i>Lehman Brothers Kuhn Loeb</i>	140.0
70	Dyson-Kissner-Moran Corp. <i>First Boston</i>	Criton Corp. (95%) <i>Lehman Brothers Kuhn Loeb</i>	136.3
71	Trane Co. <i>Boston Consulting Group</i>	General Electric Co. (unit) <i>Morgan Stanley</i>	135.0
72	Northwest Industries Inc. <i>Undisclosed</i>	Pogo Producing Co. (int.) <i>Undisclosed</i>	134.3
73	NCNB Corp. <i>Goldman, Sachs</i>	Exchange Bancorporation Inc. <i>In-house</i>	134.0

Greater Arizona Savings and Loan Association

a subsidiary of

The Liberty Corporation

has been acquired by

Tau-tron, Inc.

A Massachusetts manufacturer of high-speed digital test and measurement equipment for the telecommunication industry. Has merged with a wholly-owned subsidiary.

General Signal Corporation

We initiated this transaction, represented Tau-tron, Inc. in the negotiations and acted as its financial advisor.

Donaldson, Lufkin & Jenrette

June 2, 1982

Devon Group, Inc.

has been acquired by

Devon Holding Corporation

A newly formed company owned by Citicorp Venture Capital Ltd., certain Devon Group, Inc. subsidiaries and other investors.

Anderson Strathclyde PLC

has acquired approximately 57% of the common stock of

National Mine Service Company

We acted as financial advisor to National Mine Service Company in connection with

Donaldson, Lufkin & Jenrette

Regal International, Inc.

shares have been distributed to the shareholders of its former parent company.

Texas International Company

Regal produces quality expendable rubber products used in oil field drilling and production.

Bucyrus-Erie Company

has acquired

Western Gear Corp.

Excess and Treaty Management Corporation

The Continental Group, Inc.

and

Allied Corporation

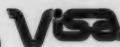
have acquired through a joint venture

Supron Energy Corporation

We acted as financial advisor to The Continental Group, Inc. in this transaction.

Donaldson, Lufkin & Jenrette

May 3, 1982



VISA ENERGY CORPORATION

22,259,453 Shares

Visa Energy Corporation in which it acquired Visa certain other oil and gas interests.

We initiated this transaction of the exchange offer.

Wilsons House of Suede, Inc.

has merged with

Melville Corporation

DSI Corporation

has merged with

imp, Inc.

SEI Corporation

has acquired

TMI Systems Corporation

We acted as financial advisor to SEI Corporation in this transaction.

Donaldson, Lufkin & Jenrette

Hampshire Gibson, Inc.

an affiliate of

Excess and Treaty Management Corporation

has been acquired by

The St. Paul Company

Occidental Petroleum Corporation

has acquired 45% of the common stock of

Cities Service Company

We acted as dealer manager for Occidental in connection with its tender offer.

Donaldson, Lufkin & Jenrette

September 30, 1982

Mallinckrodt, Inc.

has sold its lithographic printing press division

Bowers Printing Ink Company

to

PPG Industries, Inc.

We initiated this transaction and assisted Mallinckrodt, Inc. in the negotiations leading to its successful completion.

Donaldson, Lufkin & Jenrette

March 15, 1982

This announcement is neither an offer to buy nor a solicitation of an offer to sell any securities. Any such offer is made by the Prospectus's Prospectus and only in those circumstances in which the offering is completed. Prospectus should be read in conjunction with the prospectus on that day of such securities.

NOTICE OF EXTENSION OF OFFER BY Energy Exchange Corporation

To Exchange 49,000,000 Shares of Common Stock for Interests in Oil and Gas Properties

Energy Exchange Corporation offers to exchange shares of its common stock for interests in the following oil and gas properties:

Barberry Interests
Clark Interests
Cramer Properties
Gardner-Taylor Lake Property
GEO Energy Interests
Jimmy Gray Properties
Quarry Properties
Nought Interests
Invol Properties

Mid-Continent Interests
SMM Resources Interests
MSP Properties
Pulaski-Fall Properties
Sunderlin-Cotton Valley Properties
Search Properties
Simola Properties
Vulcan Properties
Wells-Somerset Properties

Interests described in the

will be directly to the Limited Partnership with the assistance and participation of

1:00 P.M.
15, 1982
NY

will be distributed at any time consummated on which it will be required. A submission of material for acceptance or

Texas International Company

has merged with

Phoenix Resources Company

acted as financial advisor to Texas International Company in this transaction.

The Children's Place, Inc.

has been acquired by

Federated Department Stores, Inc.

We initiated this transaction and assisted The Children's Place, Inc. in the negotiations.

Donaldson, Lufkin & Jenrette

March 15, 1982

DLJ Initiates.

Long a leader in the planning and execution of creative mergers, acquisitions and divestitures, DLJ now has been recognized as a leader in the *initiation* of such transactions. Let our DLJ team of merger and acquisition experts help you find cre-

ative ways to improve the productivity of your capital. Contact: John S. Chalsty, Managing Director, Donaldson, Lufkin & Jenrette, 140 Broadway, New York, NY 10005 (212) 902-2000

Donaldson, Lufkin & Jenrette

100 Largest Transactions (cont.)

	Acquiring Company Investment Advisor	Acquired/Merged Company Investment Advisor	Value \$ mil
74	Combined International Corp. Morgan Stanley; Morgan Lewis Githens & Ahn	Ryan Insurance Group Inc. William Blair & Co.	133.0
75	B. F. Goodrich Co. In-house	Diamond Shamrock Plastics Corp. In-house	131.0
76	American Can Co. Lazard Frères	Associated Madison Cos. Inc. (rem. int.) Bear, Stearns	127.0
77	Waste Management Inc. Kidder, Peabody; Merrill Lynch; Boettcher & Co.	Chem-Nuclear Systems Inc. Goldman, Sachs	122.0
78	American Hospital Supply Corp. In-house	Bio-Science Enterprises Smith Barney, Harris Upham	120.0
79	Farley Industries Inc. Goldman, Sachs	NL Industries Inc. (unit) Lehman Brothers Kuhn Loeb	120.0
80	W. R. Holdings Inc. Carl Marks & Co.	Williamhouse-Regency Inc. L. F. Rothschild, Unterberg, Towbin	117.6
81	Best Products Co. Goldman, Sachs; Wheat, First Securities	Modern Merchandising Inc. Blyth Eastman Paine Webber; Dain Bosworth	117.4
82	Q Associates In-house	Questor Corp. Goldman, Sachs	116.0
83	Deanlake Investments Ltd. Bear, Stearns	Allright Auto Parks Inc. (rem. int.) Goldman, Sachs	115.1
84	Aetna Life & Casualty Co. James D. Wolfensohn Inc.	Samuel Montagu & Co. Holdings Ltd. (40%) Undisclosed	115.0
85	Midland Bank Ltd. Lazard Frères; Salomon Brothers	Crocker National Corp. (add. int.) Lehman Brothers Kuhn Loeb; Dean Witter Reynolds	113.6
86	National City Lines Inc. In-house	Amalgamated Sugar Co. First Boston	113.0
87	Ogden Corp. In-house	Allied Maintenance Corp. Lazard Frères	112.0
88	American Financial Corp. Undisclosed	Penn Central Corp. (add. int.) Undisclosed	110.7
89	Nabisco Brands Inc. N. M. Rothschild & Sons Ltd.	Huntley & Palmer Foods PLC (rem. 76%) Undisclosed	110.0
90	Combined International Corp. In-house	Rollins Burdick Hunter Co. William Blair & Co.	109.0
91	Sun Banks of Florida Inc. Keefe, Bruyette & Woods	Century Banks Inc. Blyth Eastman Paine Webber	108.3
92	Pilkington Brothers Ltd. Undisclosed	Libbey-Owens-Ford (30%) Undisclosed	106.0
93	The Limited Inc. S. B. Lewis & Co.	Lane Bryant Inc. Wertheim & Co.	105.7
94	All American Bottling Corp. Forstmann Little	Beatrice Foods Co. (2 units) Lazard Frères; Salomon Brothers	105.0
95	Dresser Industries Inc. First Boston	Reliance Standard Life Insurance Co. Undisclosed	105.0
96	NLT Corp. Morgan Stanley	American General Corp. (int.) First Boston	102.6
97	Meridian Express Co. Undisclosed	McLean Trucking Co. First Boston	101.3
98	Bendix Corp. In-house	RCA Corp. (7.2%) Lazard Frères; Lehman Brothers Kuhn Loeb	101.0

Unimation, Inc.

a subsidiary of

Condec Corporation

has been acquired by

Westinghouse Electric Corporation

The undersigned initiated this transaction
and acted as financial advisor to Condec Corporation.

Drexel Burnham Lambert
INCORPORATED

February 22, 1983

100 Largest Transactions (cont.)

	Acquiring Company Investment Advisor	Acquired/Merged Company Investment Advisor	Value \$ mil
99	Beecham Group PLC Undisclosed	J. B. Williams Co. Inc. Morgan Stanley	100.0
	CBT Corp. Keefe, Bruyette & Woods	State National Bancorp Inc. Lehman Brothers Kuhn Loeb; M. A. Schapiro & Co.	100.0
	Converse Inc. Undisclosed	Allied Corp. (Converse div.) Merrill Lynch	100.0
	Dentsply Holdings Inc. Kelso & Co.	Dentsply International Inc. Kelso & Co.; Merrill Lynch (fairness opinion)	100.0
	Dresser Industries Inc. In-house	International Harvester Co. (unit) Lehman Brothers Kuhn Loeb	100.0
	National Medical Enterprises Inc. In-house	First Washington Group Inc. Drexel Burnham Lambert; Lewis J. Kaufman, Inc.	100.0
100	United Technologies Corp. Undisclosed	General Dynamics Corp. (3 units) Undisclosed	100.0

Values of Mergers 1982

Price Paid \$ mil	No. of Transactions	% of Transactions
\$1.0-5.0	441	35.6
\$5.1-10.0	243	19.6
\$10.1-15.0	109	8.8
\$15.1-25.0	121	9.8
\$25.1-50.0	129	10.4
\$50.1-99.9	89	7.2
\$100.0 and over	107	8.6

Values of Divestitures 1982**

Price Paid \$ mil	No. of Divestitures	% of Divestitures
\$1.0-5.0	58	26.7
\$5.1-10.0	44	20.3
\$10.1-15.0	28	12.9
\$15.1-25.0	23	10.6
\$25.1-50.0	24	11.0
\$50.1-99.9	21	9.7
\$100.0 and over	19	8.8

10 Most Active Acquirers 1982*

Company	No. of Transactions
New York Times Co.	11
Gulf + Western Industries Inc.	10
I.C.H. Corp.	10
Reliance Group Holdings Inc.	9
Beatrice Foods Co.	9
Merrill Lynch & Co. Inc.	8
Alexander & Alexander Services Inc.	8
American Hospital Supply Corp.	7
Centel Corp.	7
Esmark Inc.	7

*Includes acquisitions of interests worth more than \$1 million. Where interests were purchased in stages, only one transaction is counted.

**Total divestitures recorded in 1982 were 559, of which 217 (charted above) revealed price data. Divestitures include subsidiaries, divisions, or units. Does not include divestitures of foreign units of U.S. firms to foreign companies.

Dillingham Corporation

has become a privately owned company
through a merger with a newly formed corporation
owned by

Kohlberg, Kravis, Roberts & Co.

and other investors, including management members
of Dillingham Corporation.

*The undersigned acted as financial advisor to the Board of Directors
of Dillingham Corporation in this transaction.*

Kidder, Peabody & Co.
Incorporated

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May 15-20

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30 Largest Divestitures 1982

	Seller	Unit Sold	Buyer	Price \$ mil
1	Northwest Industries Inc.	Coca-Cola Bottling Co. of L.A.; Buckingham Corp.	Beatrice Foods Co.	\$580
2	Cities Service Co.	Cities Service Gas Co.	Northwest Energy Co.	530
3	American Can Co.	Paper products business	James River Corp. of Va.	446
4	Morton-Norwich Products Inc.	Norwich-Eaton division	Proctor & Gamble Co.	371
5	Warner-Lambert Co.	Entenmann's Inc.	General Foods Corp.	315
6	Gulf + Western Industries Inc.	Marquette Co.	Lone Star Industries Inc.	267
7	Marathon Oil Co.	Marathon Petroleum Canada Ltd.; Par Ocean Oil Ltd.	Aberford Resources Ltd.	225
8	Boston Broadcasters Inc.	WCVB-TV	Metromedia Inc.	220
9	Xerox Corp.	WUI Inc.	MCI Communications Corp.	195
10	Burlington-Northern Inc.	Burlington-Northern Air Freight Inc.	Pittston Co.	177
11	Honeywell Inc.	CII Honeywell Bull (27.1%)	Compagnie des Machines Bull	150
12	Marsh & McLennan Cos. Inc.	Bowmaker Ltd.	Lloyds & Scottish Ltd.	150
13	Norton Simon Inc.	Canada Dry Corp.	Dr Pepper Co.	143
14	Penn Central Corp.	Six Flags Corp.	Bally Manufacturing Corp.	142
15	General Electric Co.	Air Conditioning Business	Trane Co.	135
16	Diamond Shamrock	Diamond Shamrock Plastics Corp.	B. F. Goodrich Co.	131
17	RCA Corp.	Canadian Acceptance Corp. Ltd.	Royal Bank of Canada Ltd.	127*
18	Dow Chemical Co.	Bio-Science Enterprises	American Hospital Supply Corp.	120
19	NL Industries Inc.	Metal Products Business	Farley Industries Inc.	120
20	Beatrice Foods Co.	Silver Spring Water Co.; Soft Drink division	All-American Bottling Corp.	105
21	Reliance Group Holdings Inc.	Reliance Standard Life Insurance Co.	Dresser Industries Inc.	105
22	Allied Corp.	Converse division	Converse Inc.	100
23	General Dynamics Corp.	Com-Dev Inc. and 2 units of Stromberg-Carlson	United Technologies Corp.	100
24	International Harvester Co.	Construction Equipment business	Dresser Industries Inc.	100
25	Nabisco Brands Inc.	J. B. Williams Co. Inc.	Beecham Group PLC	100
26	Holiday Inns Inc.	Delta Steamship Lines Inc.	Crowley Maritime Corp.	96
27	Nabisco Brands Inc.	Julius Wile Sons & Co. Inc.	Whitbread & Co. PLC	96
28	Waples-Platter Cos.	Five units	Fleming Cos. Inc.	91
29	American Hospital Supply Corp.	Dental products and distribution	Sybron Corp.	86
30	Metromedia Inc.	KMBC-TV	Hearst Corp.	79

*Canadian

MERGERS and ACQUISITIONS

1982

Seller / Buyer

Amplica Inc. / Communications Satellite Corp.

Potlatch Corp. (Folding Box Division) / Wilkata Packaging Corp.

E. Keeler Co. / **Dorr-Oliver Inc.**

Thatcher Plastics Pkg. (Dart & Kraft Inc.) / Wheeling Stamping Co.

Worthington Diagnostics Div. (Millipore Corp.) / Flow General Inc.

Coastal Industries Inc. / Management Group of Coastal Industries Inc.

Midwestern Distribution Inc. / Leaseway Transportation Corp.

Milford Trust Co. / Bank of Delaware

K-D Manufacturing Co. / Easco Corp.

Capex Corp. / Computer Associates International

STSC, Inc. / Continental Telecom. Inc.

Energy Management Corp. / General Instrument Corp.

Dialcom, Inc. / International Telephone & Telegraph

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Merger Activity by Industry Area 1982

SIC code	Industry area	US acquiring US		NonUS acquiring US		US acquiring NonUS		Total	
		Number	Value \$ mil	Number	Value \$ mil	Number	Value \$ mil	Number	Value \$ mil
01-09	Agriculture	2	3.4	1	*	—	—	3	3.4
10	Metal Mining	7	35.6	7	159.3	—	—	14	194.9
12	Coal Mining	10	106.5	3	117.8	—	—	13	224.3
13	Oil/Gas Extraction	78	12,587.7	7	284.9	7	42.4	92	12,915.0
14	Nonmetallic Minerals	—	—	—	—	2	12.6	2	12.6
15-17	Construction	24	43.2	2	1.0	3	6.0	29	50.2
20	Food Products	72	5,045.4	9	290.9	9	153.3	90	5,489.6
22	Textile Mill Products	25	710.1	4	8.8	—	—	29	718.9
23	Apparel	17	206.5	1	*	1	9.4	19	215.9
24	Lumber/Wood Products	8	55.5	1	20.9	—	—	9	76.4
25	Furniture/Fixtures	15	94.5	2	13.3	—	—	17	107.8
26	Paper Products	22	628.1	5	100.0	4	22.8	31	750.9
27	Printing/Publishing	46	672.7	8	23.1	8	5.6	62	701.4
28	Chemicals	62	1,916.0	17	426.2	16	93.0	95	2,435.2
29	Petroleum Refining	4	13.7	—	—	—	—	4	13.7
30	Rubber/Plastic Products	31	303.9	4	109.6	4	9.3	39	422.8
31	Leather	4	2.2	1	2.4	—	—	5	4.6
32	Stone/Clay/Glass/Concrete	27	500.0	2	15.0	3	40.0	32	555.0
33	Primary Metal Industries	29	243.9	2	50.2	2	67.0	33	361.1
34	Fabricated Metal Products	60	874.6	4	316.0	9	12.0	73	1,202.6
35	Machinery, except Electrical	129	1,677.0	14	465.9	7	10.6	150	2,153.5
36	Electrical Machinery	98	1,404.3	15	188.8	5	4.6	118	1,597.7
37	Transportation Equipment	37	3,328.7	6	14.1	4	*	47	3,342.8
38	Medical/Photographic Equipment	74	2,022.2	2	7.6	4	*	80	2,029.8
39	Miscellaneous Mfg.	30	368.3	3	401.2	6	1.5	39	771.0
40	Railroad Transportation	6	3,950.0	1	6.0	—	—	7	3,956.0
42	Motor Freight Transportation	16	177.3	—	—	—	—	16	177.3
44	Water Transportation	11	202.0	1	*	—	—	12	202.0
45	Air Transportation/Services	7	100.2	—	—	—	—	7	100.2
47	Transportation Services	5	178.7	1	*	—	—	6	178.7
48	Communication	71	1,319.7	1	*	—	—	72	1,319.7
49	Electric/Gas/Water Services	21	1,135.6	2	3.0	—	—	23	1,138.6
50-51	Distribution/Wholesale Trade	98	690.1	11	44.1	6	6.5	115	740.7
52	Building Materials	4	13.0	—	—	—	—	4	13.0
53	General Merchandise	5	129.5	1	365.0	—	—	6	494.5
54	Food Stores	5	329.5	3	32.0	—	—	8	361.5
55	Auto Dealers/Service Stations	1	*	1	40.2	—	—	2	40.2
56	Apparel/Accessory Stores	19	300.7	1	*	—	—	20	300.7

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Member S.I.P.C.

ConVest Energy Corporation
has acquired the oil and gas working interests
and related assets of Matagorda Exploration, Inc.,
a wholly owned subsidiary of
**Matagorda Drilling and Exploration
Company**

The undersigned initiated this transaction
and represented Matagorda Exploration, Inc.,
in the negotiations.



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ConVest Energy Corporation

has acquired the oil and gas working interests and
related assets of a group of private investors affiliated with

Aquila Energy Corp.

We initiated this transaction and represented
the working interest owners in the negotiations.



UNDERWOOD, NEUHAUS & Co.
Incorporated
Houston Dallas San Antonio Tyler Austin
New York, New York Jacksonville, Florida Mobile, Alabama

**Gulf Energy & Development
Corporation**

has acquired

Pano Tech Exploration Corp.
and a majority of the working interests in producing oil and gas properties
and related assets managed and operated by
Pano Tech Exploration Corp.

We initiated this transaction and represented
the working interest owners in the negotiations.



UNDERWOOD, NEUHAUS & Co.
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Houston Dallas San Antonio Tyler Austin
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This information appears as a matter of record only.

MSE ALMANAC

SIC code	Industry area	US acquiring US		NonUS acquiring US		US acquiring NonUS		Total	
		Number	Value \$ mil	Number	Value \$ mil	Number	Value \$ mil	Number	Value \$ mil
57	Furniture/Home Furnishings	3	12.3	—	—	—	—	3	12.3
58	Eating/Drinking Places	20	247.0	1	44.0	—	—	21	291.0
59	Miscellaneous Retail	26	105.2	6	62.6	—	4.1	32	171.9
60	Banking	159	1,275.5	5	118.1	8	42.7	172	1,436.3
61	Credit Agencies	112	759.5	1	*	2	*	115	759.5
62	Securities Brokers	23	435.6	7	305.8	3	155.8	33	897.2
63-64	Insurance	76	7,130.3	10	131.5	9	305.0	95	7,566.8
65-66	Real Estate	27	108.0	7	41.5	—	—	34	149.5
67	Holding Companies	120	4,779.1	20	918.7	1	12.8	141	5,710.6
70	Hotels	4	35.1	1	4.3	—	—	5	39.4
72	Personal Services	11	48.4	3	41.1	—	—	14	89.5
73	Business Services	62	463.7	10	37.9	12	*	84	501.6
737	Computer/Data Processing Services	45	398.5	2	3.5	1	5.0	48	407.0
75	Auto Repair/Services	6	6.3	2	114.8	1	*	9	121.1
78	Motion Pictures/Video	17	1,024.0	1	3.8	—	—	18	1,027.8
79	Amusement/Recreation Services	13	246.2	1	*	—	—	14	246.2
80	Health Services	33	877.8	2	163.5	—	—	35	1,041.3
81	Legal Services	2	1.2	—	—	—	—	2	1.2
82	Educational Services	2	1.2	—	—	—	—	2	1.2
83	Social Services	1	*	—	—	—	—	1	*
89	Miscellaneous Services	15	243.3	—	—	2	*	17	243.3
99	Not Otherwise Classified	3	10.7	—	—	—	—	3	10.7
	Total	1,960	\$59,579.2	222	\$5,498.4	139	\$1,022.0	2,321	\$66,099.6

*Transaction price data not disclosed.

10 Most Active Industries by Number and Dollar Volume 1982

Rank	No. of Transactions	Industry Area	Value \$ mil	Rank
1	245	Banks, Bank Holding Companies	\$ 3,707.6	5
2	150	Machinery, except Electrical	2,153.5	8
3	121	Mining, Oil & Gas Extraction	13,346.8	1
4	121	Credit Agencies & Holding Companies		
5	118	Electrical Machinery		
6	116	Insurance, Insurance Holding Companies	10,445.9	2
7	115	Distribution & Wholesale Trade		
8	96	Retail Trade	1,685.1	10
9	95	Chemicals	2,435.2	7
10	90	Food Products	5,489.6	3
		Railroad Transportation	3,956.0	4
		Transportation Equipment	3,342.8	6
		Medical & Photographic Equipment	2,029.8	9

INVESTMENT OPPORTUNITIES IN SPECIALTY CHEMICAL COMPANIES

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We are issuing a series of 30 reports, each covering a single business category and including all companies

or divisions active in the category with annual sales of \$5 million to \$250 million. The 30 categories include such fields as adhesives and sealants, biocides, electronic chemicals, flavors and fragrances, oil-field chemicals, and water management chemicals. For each company the analysis includes historical, current and forecast sales by major product and end market, marketing and management organization, research and development capabilities, plants and facilities, and overall strengths and weaknesses.

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Dillingham Corporation

has become a privately owned company
through a merger with a newly formed corporation
owned by

Kohlberg, Kravis, Roberts & Co.

and other investors, including management members
of Dillingham Corporation.

*We served as financial adviser to Dillingham Corporation
and assisted in the negotiations.*

WARBURG PARIBAS BECKER
A.G. BECKER

25 Largest Foreign Acquisitions of U.S. Interests

	Acquirer	Acquired/Merged Firm	Price \$ mil
1	General Oriental Ltd.	Diamond International Corp.	\$400.0
2	B.A.T. Industries PLC	Marshall Field & Co.	365.0
3	Winterthur Swiss Insurance Co.	Republic Financial Services Inc.	349.0
4	AMCA International Ltd.	Giddings & Lewis Inc.	310.0
5	Schlumberger NV	Applicon Inc.	240.0
6	Credit & Commerce American Holdings NV	Financial General Bankshares Inc.	201.6
7	Mercantile House Holdings PLC	Oppenheimer Holding Corp.	162.5
8	F. Hoffmann-La Roche & Co. AG	Biomedical Reference Laboratories Inc.	163.5
9	Kuwait Petroleum Corp.	Andover Oil Co.	150.0
10	Deanlake Investments Ltd.	Allright Auto Parks Inc.	115.1
11	Pilkington Brothers Ltd.	Libbey-Owens-Ford Co. (30%)	106.0
12	Beecham Group PLC	J. B. Williams Co. Inc.	100.0
13	Banca Commerciale Italiana	Litco Bancorporation of N.Y. Inc.	96.5
14	Whitbread & Co. PLC	Julius Wile Sons & Co. Inc.	96.3
15	Norcen Energy Resources Ltd.	Hanna Mining Co. (int.)	90.0
16	Montedison SpA	Kallestad Laboratories Inc. (rem. int.)	89.4
17	Jefferson Smurfit Group	Diamond International Corp. (units)	80.0
18	Bayer AG	Compugraphic Corp. (maj. int.)	78.4
19	AB Volvo	Hamilton Brothers Petroleum Corp.	75.8
20	Siemens AG	Siemens-Allis Inc. (35%)	75.0
21	Canada Development Corp.	Savin Corp. (57.15%)	75.0
22	Costain Group Ltd.	Pyro Mining Co. (50%)	70.0
23	Hong Kong & Shanghai Banking Corp.	Centran Corp. (int.)	70.0
24	Akzo NV	Akzona Inc. (rem. int.)	68.0
25	Seagram Co. Ltd.	E. I. du Pont de Nemours & Co. (int.)	65.1

Industries Attracting Foreign Buyers 1982

Industry area	No. of Transactions
Oil & Gas, Mining	17
Chemicals	17
Electrical Machinery	15
Machinery, except Electrical	14
Banking	14
Real Estate	14
Retail Trade	13
Insurance	12
Distribution & Wholesale Trade	11
Business Services	10

Countries Most Active in U.S. Acquisitions 1982

	No. of Transactions
United Kingdom	75
Canada	43
France	13
Germany	12
Netherlands/Netherlands Antilles	10
Switzerland	8
Hong Kong	8
Australia	7
Japan	6

20 Top Cancellations 1982

Buyer	Firm Sought	Price \$ mil	Reason for Cancellation
Gulf Oil Co.	Cities Service Co.	\$5,000.0	Antitrust and/or price reasons.
United Technologies Corp.	Bendix Corp.	1,600.0	Outbid by Allied Corp.
Firestone Tire & Rubber Co.	Hertz Corp.	750.0	Opportunity costs.
Cities Service Co.	Mesa Petroleum Co.	629.0	Gulf Oil's \$5 billion offer for Cities Service.
Mesa Petroleum Co.	Cities Service Co.	544.0	Gulf Oil's \$5 billion offer for Cities Service.
Turner Advertising Co.	Metromedia Inc. (outdoor advertising unit)	450.0	Could not agree on price.
Potential Buyer	Arvida Corp.	450.0	Weak real estate market.
Warner Communications Inc.	Madison Fund Inc.	380.0	Drop in Warner's stock price due to lowered earnings projections.
Kerr-McGee Corp.	Fluor Corp. (2 units of St. Joe Minerals)	265.0	No reason given.
Penn Central Corp.	Cooper Manufacturing Corp.	250.0	Insufficient time and/or ability to obtain financing.
C. Schmidt & Sons Inc.	Pabst Brewing Co.	208.7	Pabst preferred an all-cash offer.
Coca-Cola Co.	Outlet Co.	185.0	Outlet's possible liability for future payments on certain store leases it assigned to United Department Stores.
Paul Kalmanovitz	Pabst Brewing Co.	166.0	Heileman won control.
Harold Geneen et al.	Guilford Mills Inc.	112.7	Uncertainty of future earnings in the textile industry made ability to service debt doubtful.
Irwin Jacobs et al.	Pabst Brewing Co.	105.0	Agreed to sell shares to Heileman.
MacAndrews & Forbes Group Inc.	Consolidated Cigar Co.	105.0	No reason given.
Olympia Brewing Co.	Pabst Brewing Co.	100.0	Defensive maneuver called off when Jacobs dropped bid for Pabst.
Warner Communications Inc.	UA Musical Co.	100.0	Failed to come to terms on a number of issues.
Central Bancorporation	Union Commerce Corp.	98.2	Not approved by FRB because of Central's reorganization of holdings, indebtedness, and reduction in capital.
Colonial BancGroup	First Bancgroup of Alabama	96.0	No reason given.

Leadership in Mergers and Acquisitions: Number 1

Acquiring Companies	Acquired or Divesting Company	Assignment or Form of Transaction	Approximate Size of Transaction
United States Steel Corporation	Marathon Oil Company	Cash Tender Offer followed by Merger for Notes	\$6,264,000,000
Occidental Petroleum Corporation	Cities Service Company	Cash Tender Offer followed by Merger for Preferred Stock and Notes	4,050,000,000*
Allied Corporation	The Bendix Corporation*	Bendix Purchase of 65.6% Interest in Martin Marietta Corporation for \$1,150,000,000; Martin Marietta Purchase of 30% Interest in Bendix for \$600,000,000; Allied Acquisition of Bendix Shares Acquired by Martin Marietta; Allied Merger with Bendix for Common Stock, Preferred Stock and Notes	1,859,000,000
Xerox Corporation	Crum and Forster	Merger for Cash, Common Stock and Preferred Stock	1,637,000,000
American General Corporation	NLT Corporation	Merger for Cash and Fined Income Securities	1,494,000,000
Union Pacific Corporation	Missouri Pacific Corporation	Merger for Common Stock and Preferred Stock	1,000,000,000
Allied Corporation and The Continental Group, Inc.	Supron Energy Corporation	Cash Tender Offer followed by Formation of Joint Venture	777,000,000
McDermott International, Inc.	McDermott Incorporated*	Common Stock Exchange Offer	696,000,000
Mesa Petroleum Co.	General American Oil Company of Texas*	Cash Tender Offer (Subsequent \$1,142,000,000 Merger with Phillips Petroleum Company Pending)	530,000,000
Warner-Lambert Company	IMED Corporation	Merger for Cash	465,000,000
Chemical New York Corporation*	Florida National Banks of Florida, Inc.	Merger for Cash	374,000,000
Northwest Energy Company	Cities Service Company	Divestiture of Cities Service Gas Company	364,000,000
BATUS Inc., a Subsidiary of B.A.T. Industries p.l.c.	Marshall Field & Company	Cash Tender Offer	365,000,000
Waterthur Swiss Insurance Company	Republic Financial Services, Inc.	Merger for Cash	320,000,000
General Foods Corporation	Warner-Lambert Company	Divestiture of Entenmann's, Inc.	315,000,000
Transamerica Corporation	Frost, S. James & Co., Inc.	Cash Tender Offer	302,000,000
National Distillers and Chemical Corporation*	Suburban Propane Gas Corporation	Open Market Purchases, Merger Proposal and Private Transaction followed by Cash Tender Offer	272,000,000
Cities Service Company	Mesa Petroleum Co.	Repurchase of Cities Service Company Common Stock for Cash	226,000,000
Aberford Resources Ltd.	Marathon Oil Company	Divestiture of Marathon Petroleum Canada Ltd. and Pan Ocean Oil Ltd.	200,000,000
Credit and Commerce American Holdings, N.V.	Financial General Bankshares, Inc.	Cash Tender Offer	194,000,000
Hoffmann-La Roche Inc.	Biomedical Reference Laboratories, Inc.	Merger for Cash	160,000,000
General Chema Corporation	Heublein, Inc.	Purchase of 18.9% Interest through Open Market Purchases	157,000,000
PC Industries, Inc.	Criton Corporation	Cash Tender Offer	155,000,000
First Bank Systems, Inc.*	Banks of Iowa, Inc.	Merger for Cash	150,000,000
Intercon Steamship Corporation	The ITV Corporation*	Divestiture of Lykes Bros. Steamship Corp.	150,000,000
National City Lines, Inc.	The Amalgamated Sugar Company	Cash Tender Offer	125,000,000
Mercantile Texas Corporation	PanNational Group Inc.	Merger for Common Stock	124,000,000
Standard Oil Company (Ohio)	Republic Steel Corporation	Divestiture of Kiti Energy Corporation and Certain Coal Properties	105,000,000
Meridian Express Company	McLean Trucking Company	Merger for Cash	101,000,000
Citizens and Southern Georgia Corporation*	Citizens and Southern Group banks	Mergers for Cash, Common Stock and Notes	93,000,000
Huntington Bancshares Incorporated	Union Commerce Corporation*	Cash Tender Offer followed by Merger for Common Stock and Preferred Stock	90,000,000
The St. Paul Companies, Inc.	City Investing Company	Common Stock and Preferred Stock	85,000,000
Borg-Warner Corporation	Burns International Security Services, Inc.	Divestiture of Seaboard Surety Company	83,000,000
Builders Investment Group	Kushner Corporation*	Cash Tender Offer	78,000,000
Time Incorporated	K.C. Penney Company, Inc.	Merger for Cash	76,000,000
Taft Broadcasting Company*	General Cinema Corporation	Purchase of WCIX-TV Miami for Cash, Notes and Assets	70,000,000
Witco Chemical Corporation	The Richardson Corporation	Cash Tender Offer	61,000,000
Agfa-Gevaert N.V., a Subsidiary of Beyer AG	Compugraphic Corporation	Purchase of 69% Interest through Cash Tender Offer and Newly Issued Shares	60,000,000
Communications Satellite Corporation	Amplica, Inc.	Merger for Cash	57,000,000
Control Data Corporation	Centronics Data Computer Corp.	Sale of 43% Interest for Cash and Assets	53,000,000
Fidelco, Inc.*	Southeast National Bancshares of Pennsylvania, Inc.	Merger for Cash and Convertible Preferred Stock	51,000,000
Tricentrol PLC	Coral Petroleum, Inc.	Purchase of Certain Oil and Gas Properties for Notes and Convertible Preferred Stock	45,000,000
Amon Group, Inc., a Subsidiary of Consolidated Gold Fields	Newmont Mining Corporation	Increase in Ownership to 25.2% through Open Market Purchases	40,000,000
Amalgamated Distilled Products PLC	Barron Brands, Ltd.	Purchase of Assets for Cash	38,000,000
Nationwide Mutual Insurance Company	Nationwide Corporation and Nationwide Life Insurance Company*	Merger for Cash	34,000,000
Virginia National Bankshares, Inc.	New Virginia Bancorporation	Merger for Cash	30,000,000
SCF Acquisition Corp.	Standard Coors Tinscher Company	Merger for Cash	28,000,000
Union Pacific Corporation	The Western Pacific Company	Cash Tender Offer followed by Merger for Cash	28,000,000
Apex Oil Company	Enterprise Development Group	Merger for Cash	25,000,000
Cipher Data Products, Inc.	Perkin Elmer Corporation	Divestiture of Memory Products Division	20,000,000
Century Production Inc.	Great Basin Petroleum Co.	Divestiture of U.S. Oil and Gas Properties	17,000,000
MLM, Holdings Limited	ASARCO Incorporated	Increase in Ownership to 21% through Open Market Purchases	16,000,000
Buckbee-Mears Company	Cummins Industries Corporation	Cash Tender Offer	13,000,000
Aluminum Industries	Congoleum Corporation	Purchase of The Jobbers Supply Division for Cash	Undisclosed
Arkansas Best Corporation	Bright Industries, Inc.	Purchase of East Texas Motor Freight Lines, Inc. for Convertible Preferred Stock and Cash	Undisclosed
Curtain Investors, Inc., a Corporation Organized by First Boston, Inc. and Management of Hygiene Industries	Hygiene Industries, a Division of Nabisco Brands, Inc.	Leveraged Buyout	Undisclosed
Campbell Soup Company	Mrs. Paul's Kitchens Inc.	Purchase of Certain Assets	Undisclosed
DEKALB AgResearch, Inc.	Pfizer Inc.	Formation of Joint Venture	Undisclosed
Jardine, Matheson & Co., Limited	The Prudential Insurance Company of America	Divestiture of Bache Insurance Services, Inc.	Undisclosed
Johanson & Johnson	Irex Corporation*	Merger for Common Stock	Undisclosed
Affiliates of Levinstein Industries, Inc.	Sun Company, Inc.	Divestiture of Sun Ship, Inc.	Undisclosed
Lucas Industries, Inc.	Ledex Inc.	Merger for Cash	Undisclosed
Media News Corporation	E.W. Scripps Company	Divestiture of United Press International, Inc.	Undisclosed
Metropolitan Life Insurance Company*	State Street Research & Management Company	Merger for Cash	Undisclosed
New Colonial, Inc., a Corporation Organized by First Boston, Inc. and Management of Colonial Management Associates, Inc.	Colonial Management Associates, Inc., a Subsidiary of State Mutual Life Assurance Company of America	Leveraged Buyout	Undisclosed
Sun Life Assurance Company of Canada	Massachusetts Financial Services Company	Merger for Cash	Undisclosed
Sandoz United States, Inc., a Subsidiary of Sandoz Ltd.*	Occidental Petroleum Corporation	Purchase of Zeecon Corporation	Undisclosed
Travelers Corporation	Securities Settlement Corporation, a S. subsidiary of Money, Hargraves, Eatabrook & Wooten Inc.	Merger for Cash	Undisclosed
Wesray Corporation	Aluminum Company of America	Divestiture of Alcoa Aluminum, Inc. and	Undisclosed

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Form of Payment 1982*

Price Paid \$ mil	All Cash	All Stock	Cash, Stock, Notes, Debt	Undisclosed**
\$1.0-\$5.0		61%	13%	14%
\$5.1-10.0	50%	18%		22%
\$10.1-15.0	54%	14%		19%
\$15.1-25.0	55%	14%		17%
\$25.1-50.0	51%	20%		17%
\$50.1-99.9	46%	10%		29%
\$100.0 and over	49%	13%		33%
Total		55%	14%	20%

*Based on 1,239 completed transactions that revealed price

**Price was given but the form of payment was not

Year-to-Year Completed Transactions 1973-1982*

Year	No. of Transactions	% Change
1973	1,064	
1974	926	- 13.0
1975	981	+ 5.9
1976	1,145	+ 16.7
1977	1,209	+ 5.6
1978	1,452	+ 20.1
1979	1,564	+ 7.7
1980	1,583	+ 1.2
1981	2,314	+ 46.2
1982	2,321	+ 0.3

*Figures in this chart reflect additional information obtained in 1982

Sales Volume of Acquired Companies 1982*

Sales Volume \$ mil	No. of Companies	% of Transactions
\$1.0-5.0	104	15.6
\$5.1-10.0	70	10.5
\$10.1-15.0	45	6.8
\$15.1-25.0	76	11.4
\$25.1-35.0	51	7.6
\$35.1-50.0	54	8.1
\$50.1-75.0	47	7.0
\$75.1-100.0	33	5.0
\$100.1-500.0	127	19.1
\$500.1 and over	59	8.8

*Acquisitions of entire companies (disclosing sales) that were not divestitures

Statistical data compiled by Christine J. Lees and Susan Mahon; graphic design by Katz Wheeler, Philadelphia, Pa.

